

N.B. This English text is an unofficial translation of the Swedish original and in case of any discrepancies between the Swedish and the English translation, the Swedish text shall prevail.

The Nomination Committee's reasoned statement regarding the proposed Board of Directors of Scandinavian Astor Group AB, including a report on the Nomination Committee's work, ahead of the 2026 Annual General Meeting

Background

In accordance with the nomination committee process adopted at the 2025 Annual General Meeting, the three largest shareholders as at 30 September 2025 who wished to participate in the nomination committee have each appointed a representative to form the Astor Group's nomination committee.

The Nomination Committee consists of Anders Danielsson (appointed by Anders Danielsson Trä AB, Chairman of the Nomination Committee), Mikael Norgren (appointed by Wictor Billström) and Lennart Sundberg (appointed by Lennart Sundberg). Together, the three shareholder representatives represent approximately 15 per cent of the votes in Astor Group as of 31 December 2025.

The Nomination Committee's work ahead of the 2026 Annual General Meeting

In accordance with the nomination process, the Nomination Committee shall prepare proposals regarding the following:

- Chair of the AGM
- Proposals regarding the number of Board members to be elected by the AGM and the number of auditors
- Proposals regarding remuneration for non-executive Board members and (where applicable) for non-executive members of the Board's various committees
- Proposals regarding remuneration for auditors
- Proposals regarding the election of Board members and auditors, and the presentation of a proposal to the Board regarding the Chair of the Board
- Proposals regarding guidelines for appointing members of the Nomination Committee and for the Nomination Committee's remit.

The Nomination Committee has held 16 meetings. At one of these meetings, the Nomination Committee heard the CEO's presentation of the company's operations, strategy and priorities. In addition, the Nomination Committee held individual meetings with all Board members and interviewed the proposed new member. In its work, the Nomination Committee has also received and considered several proposals for the election of Board members submitted by shareholders. In order to assess the extent to which the Board meets the requirements that will be placed on it as a result of the company's operations, strategy and future direction, the Nomination Committee has discussed the size and composition of the Board with regard to, for example, competence, experience, sustainability and diversity. Furthermore, the Nomination Committee has taken into account the results of the evaluation of the Board as a basis for its proposal for the Board.

Ahead of the Annual General Meeting of Scandinavian Astor Group AB, the Nomination Committee has carefully evaluated the composition of the Board and its competence requirements with the aim of ensuring continued strong and strategic leadership of the Company. The proposal is based on an overall assessment of the current situation of the business, in which the Company is in a phase of high activity, continued expansion and several parallel initiatives. The Nomination Committee considers that continuity and stability in the work of the Board are of particular importance during this period.

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The current Board has a thorough understanding of the business and its ongoing development, which creates the conditions for effective, long-term value creation.

In accordance with Rule 4.1 of the Swedish Code of Corporate Governance, the Nomination Committee has sought to achieve a board composition that is appropriate in view of the Company's operations, stage of development and other circumstances. In this work, particular emphasis has been placed on ensuring a breadth of skills and experience in areas relevant to the Company, such as industrial production, defence technology, capital markets, international expansion and corporate acquisitions.

With regard to gender balance, the Nomination Committee notes that the proposed Board does not achieve an even distribution. However, the Nomination Committee has actively taken this aspect into account in its work. In light of the Company's current stage of development and the need to ensure continuity and relevant expertise on the Board, the Nomination Committee has concluded that the proposed composition is the one that best meets the Company's needs at present. The Nomination Committee welcomes increased diversity on the Board and will continue to take the issue of gender balance into account in its work.

In its work, the Nomination Committee has also reviewed an analysis of board remuneration at comparable companies. An increase in board remuneration for the board members elected by the AGM is proposed as a market adjustment. Given that the workload of the Audit Committee has increased and continues to increase, partly due to the company being listed on a regulated market and upcoming legislation in the area of sustainability, a higher increase in remuneration for work on the Audit Committee is proposed. The Nomination Committee further proposes, as a market adjustment in line with comparable companies, an increase in the remuneration for members of the Remuneration Committee.

The registered audit firm BDO Mälardalen AB has been Astor Group's auditor since 17 May 2024. In early 2026, Astor Group's Audit Committee conducted a tender process and recommended a change of auditor to KPMG AB. The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, the appointment of KPMG AB for a term of one year, i.e. until the end of the 2027 Annual General Meeting. The change of audit firm is justified by the fact that the Company's size, increased complexity and maturity as a company listed on a regulated market place greater demands on the auditor's experience of both industrial companies and applicable regulations, which is deemed to be well met by the proposed audit firm. KPMG AB has notified the Company that the authorised public accountant Marc Karlsson will be the lead auditor should the Annual General Meeting vote in favour of the Nomination Committee's proposal.

With regard to remuneration to the auditor for the 2026 financial year, the Nomination Committee proposes that the Annual General Meeting resolve that this be paid in accordance with the approved invoice.

At the 2025 Annual General Meeting, a nomination committee process was adopted concerning, among other things, the appointment of the nomination committee and its duties, ahead of the company's Annual General Meetings. The Nomination Committee does not propose any changes to the current nomination committee process.

The Nomination Committee's proposal for the Board of Directors

The Nomination Committee proposes:

- Five members and no deputy members.

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- Re-election of the following current Board members: Mats R Karlsson, Lars Carlson, Wictor Billström and Pär-Ola Alfredsson. New election of Helene Mörtberg.
- Mats R Karlsson is proposed as Chairman of the Board.

Reasoned opinion

The Nomination Committee considers that the proposed Board of Directors, taking into account the Company's operations, stage of development and other circumstances, represents an appropriate composition. Particular consideration has been given to the Company's strategic development, governance and control, as well as the demands these factors place on the Board's expertise and composition. The Nomination Committee also considers that the proposed Board members offer diversity and breadth in terms of educational background, experience and competence, which will benefit the Board's work. However, the Nomination Committee also emphasises the importance of each Board member's individual qualifications and suitability in order to achieve a well-functioning Board. The proposed Board members are considered well-suited to the role, both individually and as a group, and the Nomination Committee considers that they are well-placed to carry out the work of the Board with the care and commitment that the role requires.

At the extraordinary general meeting in 2023, Pär-Ola Alfredsson was elected as a new board member with expertise in the defence sector. At the annual general meeting in 2025, Mats R Karlsson and Lars Carlson were elected as new board members with expertise in industry and financial reporting. At the extraordinary general meeting in 2026, Wictor Billström was re-elected as a member with expertise and experience in both the company and financial reporting and corporate acquisitions.

The Nomination Committee considers that there is satisfactory diversity and breadth among the Board members of Astor Group in terms of the members' expertise, age, experience and background in areas of importance to Astor Group. However, taking into account the expertise possessed by the current Board, the Board needs to be strengthened with expertise in corporate governance and strategic development. The Nomination Committee therefore proposes the election of Helene Mörtberg, who has extensive experience in asset management, investments, risk and corporate governance, as well as an international background from senior positions in Europe and Asia. With the election of Helene Mörtberg, the Nomination Committee considers that, overall, the expertise and experience that are essential to the Company, and which are deemed necessary to support the Company's continued growth, capital market presence and strategic development, are well represented on the Board.

It is the Nomination Committee's assessment that all proposed members have the time required to fulfil their duties as members of the Astor Group's Board of Directors.

In its work, the Nomination Committee has also taken into account the need for diversity and the aim of achieving a balanced gender distribution. The issues of diversity and striving for an even gender balance are important and prioritised matters for the Nomination Committee, and it is the Nomination Committee's aim to improve the gender balance on the Board over time. These issues should therefore continue to be prioritised by future Nomination Committees.

The Nomination Committee considers that the proposed composition of the Board of Directors of Astor Group complies with the requirements of the Swedish Code of Corporate Governance regarding the number of independent members in relation to the company, its management and its major shareholders. A full account of the Board members' dependent and independent status is available on the company's website www.astorgroup.se.